



METROPOLITAN
TRANSPORTATION
COMMISSION

Joseph P. Bort MetroCenter
101 Eighth Street
Oakland, CA 94607-4700
TEL 510.817.5700
TDD/TTY 510.817.5769
FAX 510.817.5848
E-MAIL info@mtc.ca.gov
WEB www.mtc.ca.gov

Agenda Item 7a

Memorandum

TO: Commission

DATE: January 20, 2016

FR: Executive Director

W. I. 1152

RE: MTC Resolution No. 4181, Revised - FY 2015-16 MTC Agency Budget Amendment

This memorandum provides additional information on the staff recommendation to convert 25 current contract-based agency positions to regular full time MTC employee positions, as requested by the Administration Committee. The additional information includes:

- Comparison of current staffing agency costs and estimated MTC employment costs (Attachment A)
- Five year projection of MTC employment costs, including OPEB impacts
- Information on the positions recommended for conversion and the programs they support
- Copy of the proposed organization chart (Attachment B)
- Copy of the CalPERS audit findings (Attachment C)

As a reminder, the CalPERS audit concluded that staff retained through the staffing agency Local Government Services (LGS) were actually “common law” employees under the direction and control of MTC. As such, CalPERS may require MTC to report and pay all CalPERS retirement benefit funds through the MTC payroll despite the fact that the individuals provided by LGS are currently provided CalPERS retirement benefits and the agency itself is a contracting member of CalPERS. To avoid the potential of double retirement payments and after careful evaluation of MTC’s on-going operational needs, staff is recommending that 25 of the current 42 staff positions be converted to regular MTC employee positions and the contracts for the 17 other LGS positions be terminated at the end of the fiscal year. Attachment C is a copy of the CalPERS audit; finding #4 refers to the CalPERS membership issue.

Staffing Agency Costs

The FY 2015-16 budget includes \$5.4 million for positions supplied by staffing agencies. A total of \$3,641,000 covers the cost of the 25 staff positions recommended for conversion. Based on our budget protocols, which is to budget all positions at top of range for salary and salary based benefits, we estimate a post-conversion cost of \$3,604,000 producing a slight cost savings after conversion. Attachment A compares the proposed salary and costs to the staffing costs for each of the 25 positions.

Staff believes this neutral cost to modest savings will continue over the next few years for the following reasons:

- The MTC budget estimates costs at the top of range and most employees are actually below the top of the range.
- The billing rates by the contract agencies have increased faster than our budget estimates and forecast. Billing rates have increased 35% in the past five years with the lowest year being 3%. Our budget and expense forecast assumes 2.5% annual growth.

The modest savings is the result of eliminating the administrative fee assessed by the staffing agency to provide the service.

A comparison of MTC employee budget and staffing agency costs using the 2.5% budget model and a 3% minimum growth rate annually is shown in Table 1 below:

Table 1	MTC Cost	Staffing Agency Cost	Difference
Annual Growth Rate	2.5%	3.0%	
FY 2015-16	\$3,604,000	\$3,641,000	\$37,000
FY 2016-17 (Est.)	\$3,695,000	\$3,750,000	\$55,000
FY 2017-18 (Est.)	\$3,787,000	\$3,863,000	\$76,000
FY 2018-19 (Est.)	\$3,882,000	\$3,979,000	\$97,000
FY 2019-20 (Est.)	\$3,979,000	\$4,097,000	\$118,000
FY 2020-21 (Est.)	\$4,079,000	\$4,221,000	\$142,000

Future PERS/OPEB Cost Considerations

MTC and LGS generally have similar benefit structures for their current employees but differ in post-employment considerations. That said, no significant change is expected in MTC's PERS rate or level of unfunded liability going forward with this proposed conversion of staff positions. A primary reason that no change is expected is that 21 of the 25 staff currently in these positions are covered by the new PERS retirement plan (PEPRA) so they have not had enough time in the PERS system to accumulate an unfunded liability.

The other post-employment benefits (OPEB) obligation is another consideration.


- Annual OPEB costs – MTC's current OPEB costs average \$11,690 per employee annually. Based on this average, MTC's annual contribution to the OPEB trust will increase by about 10% from roughly \$3.1 million to \$3.4 million. The costs identified in Table 1 above include the OPEB costs.
- Actuarial accrued liability (AAL) – In the long term, this translates into an increase in the AAL of \$3.5 million, or 12%. We estimate that the annual contribution included in the costs above should be adequate to cover the increase in the AAL.
- OPEB trust balance – Lastly, MTC has approximately \$22 million in the OPEB trust to cover a 2015 current retiree medical cost of \$744,000 (3.4%). Thus, the addition of the \$3.5 million to the AAL should not materially affect our ability to meet post-employment obligations.

Positions and MTC On-going Programs

Attachment B shows the proposed revision to the MTC organization chart. In broad strokes, the positions support the following:

- Policy Initiatives (5 positions): Increased and on-going work in the areas of public outreach, performance measures, Vital Signs, GIS, database and asset management.
- Operational Projects (5 positions): Increased and on-going work in the areas of FasTrak®, Clipper®, and BATA network engineering.
- Business Operations Support (10 positions): Expanded and on-going regional initiatives resulting in commensurate need for support in the areas of finance, human resources, contract management, and technical services.
- Other Partner Agency Collaboration (5 positions): Staffing to support the Bay Area Regional Collaborative; shared services for 375 Beale Street, and the traffic management system operations center.

Staff recommends approval of MTC Resolution No. 4181, Revised.



Steve Heminger

Attachment A

Position/Title	PERS CLASSIC		PERS PEPRA		OTHER Benefits	Total BENEFITS	TOTAL SALARIES & Benefits	Staffing Agency Budget	Difference
	SALARIES	19.721%	17.449%	OPEB					
1 Contract Admin Assistant	86,994		15,180	11,690	16,627	43,497	130,491	131,535	(1,044)
2 Human Resource Analyst	100,305		17,502	11,690	20,960	50,153	150,458	136,620	13,838
3 Human Resource Assistant	78,865		13,761	11,690	13,981	39,433	118,298	126,261	(7,964)
4 Contract Specialist*	86,994		15,180	11,690	16,627	43,497	130,491	154,702	(24,211)
5 Meeting Coordinator/Beale*	78,865		13,761	11,690	13,981	39,433	118,298	125,432	(7,135)
6 Receptionist- Beale	65,179		11,373	11,690	9,526	32,590	97,769	106,198	(8,430)
7 BATA Network Engineer	115,644		20,179	11,690	25,953	57,822	173,466	202,738	(29,272)
8 BATA System Support	115,644	22,806		11,690	23,326	57,822	173,466	160,056	13,410
9 Program Coordinator, FasTrak Cust Srv	100,305		17,502	11,690	20,960	50,153	150,458	135,000	15,458
10 BARC Advisor Director	160,393		27,987	11,690	40,520	80,197	240,590	242,136	(1,547)
11 Financial Analyst	100,305		17,502	11,690	20,960	50,153	150,458	138,382	12,076
12 Revenue Auditor	86,994	17,156		11,690	14,651	43,497	130,491	123,881	6,610
13 Revenue Auditor	86,994	17,156		11,690	14,651	43,497	130,491	135,902	(5,411)
14 Assistant Public Information Officer	86,994		15,180	11,690	16,627	43,497	130,491	133,391	(2,900)
15 Traffic Management Systems Operations Coordinator*	115,644		20,179	11,690	25,953	57,822	173,466	156,960	16,506
16 SAFE Program Coordinator*	86,994		15,180	11,690	16,627	43,497	130,491	136,544	(6,053)
17 Administrative Support - Planning	26,288		4,587	11,690	(3,133)	13,144	39,433	-	39,433
18 Performance Measures - Planner	86,994		15,180	11,690	16,627	43,497	130,491	141,788	(11,297)
19 GIS Planner Analyst	115,644	22,806		11,690	23,326	57,822	173,466	160,167	13,299
20 SQL Programmer*	86,994		15,180	11,690	16,627	43,497	130,491	136,612	(6,121)
21 Desktop Support	100,305		17,502	11,690	20,960	50,153	150,458	150,478	(21)
22 Human Resource and Payroll Analyst Systems Maint	115,644		20,179	11,690	25,953	57,822	173,466	169,545	3,921
23 Technical Support	86,994		15,180	11,690	16,627	43,497	130,491	141,782	(11,291)
24 Fund Management System Database Developer	115,644		20,179	11,690	25,953	57,822	173,466	192,067	(18,601)
25 Network Engineer	115,644		20,179	11,690	25,953	57,822	173,466	202,800	(29,334)
	2,403,264	79,924	348,629	292,250	480,829	1,201,632	3,604,897	3,640,977	(36,081)

* Fulltime Equivalents

MTC	1,725,235	1,713,055	12,180
BATA	1,212,786	1,184,454	28,332
SAFE	130,491	136,544	(6,053)
BAHA	536,384	606,924	(70,540)
	3,604,897	3,640,977	(36,081)

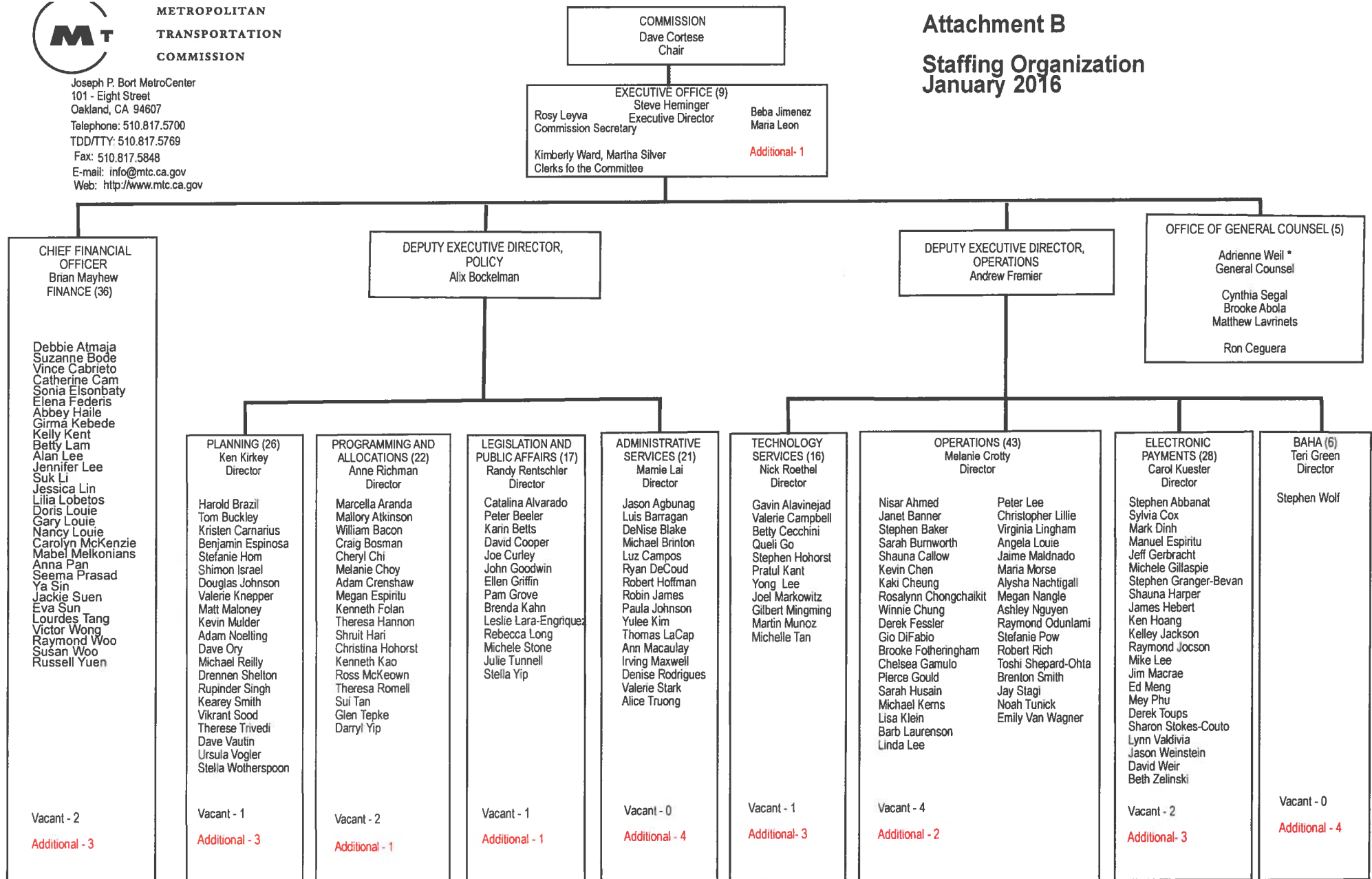


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Joseph P. Bort MetroCenter
101 - Eight Street
Oakland, CA 94607
Telephone: 510.817.5700
TDD/TTY: 510.817.5769
Fax: 510.817.5848
E-mail: info@mtc.ca.gov
Web: http://www.mtc.ca.gov

Attachment B

Staffing Organization January 2016

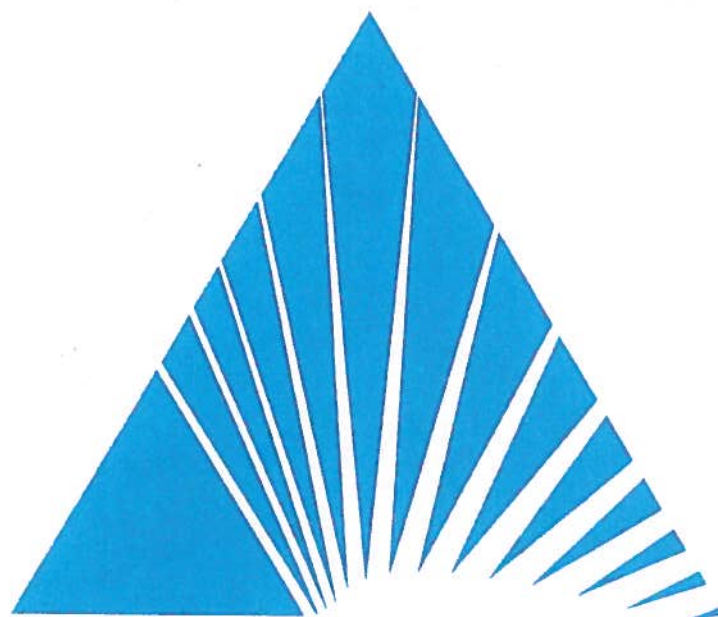


204 Existing Positions
25 Additional Positions
229 Total Requested Positions

* Advises Commission Directly

Steve Heminger
Executive Director

Office of Audit Services



CalPERS

Public Agency Review

Metropolitan Transportation Commission

CalPERS ID: 6361598907
Job Number: P11-025

August 2015



California Public Employees' Retirement System
Office of Audit Services
P.O. Box 942701
Sacramento, CA 94229-2701
TTY: (877) 249-7442
(916) 795-0802 phone, (916) 795-7836 fax
www.calpers.ca.gov

August 28, 2015

CalPERS ID: 6361598907
Job Number: P11-025

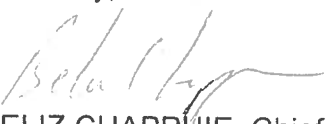
Steve Heminger, Executive Director
Metropolitan Transportation Commission
101 8th Street
Oakland, CA 94607-4707

Dear Mr. Heminger:

Enclosed is our final report on the results of the public agency review completed for the Metropolitan Transportation Commission (Agency). Your written response, included as an appendix to the report, indicates agreement with the issues noted in the report except for Finding 4. Although CalPERS reviewed and considered your Agency's responses, the information and contentions provided did not change our findings. CalPERS acknowledges in reference to Finding 1, that an updated salary schedule and resolution was provided as an appendix to the Agency's response. We forwarded this additional documentation to the appropriate CalPERS program area for review.

In accordance with our resolution policy, we have referred the issues identified in the report to the appropriate divisions at CalPERS. Please work with these divisions to address the recommendations specified in our report. It was our pleasure to work with your Agency. We appreciate the time and assistance of you and your staff during this review.

Sincerely,


BELIZ CHAPPUIE, Chief
Office of Audit Services

Enclosure

cc: Commissioners, Metropolitan Transportation Commission
Risk and Audit Committee Members, CalPERS
Matthew G. Jacobs, General Counsel, CalPERS
Anthony Suine, Chief, BNSD, CalPERS
Renee Ostrander, Chief, EAMD, CalPERS
Carene Carolan, Chief, MAMD, CalPERS

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RESULTS IN BRIEF

The primary objective of our review was to determine whether the Metropolitan Transportation Commission (Agency) complied with applicable sections of the California Government Code (Government Code), California Code of Regulations (CCR) and its contract with the California Public Employees' Retirement System (CalPERS).

The Office of Audit Services (OAS) noted the following findings during the review. Details are noted in the Results section beginning on page three of this report.

- Pay schedule did not meet all the Government Code and CCR requirements and reported payrates did not meet the definition of compensation earnable.
- Part-time employee was not enrolled in CalPERS when membership eligibility requirement was met.
- Retired annuitant was not reinstated upon exceeding the 960 hour threshold.
- Eligible employees were not enrolled in CalPERS membership.

OAS recommends the Agency comply with applicable sections of the Government Code, CCR and its contract with CalPERS. We also recommend the Agency work with the appropriate CalPERS divisions to resolve issues identified in this report.

SCOPE

The Agency was formed in 1970 to provide comprehensive regional transportation planning for the nine counties that comprise the San Francisco Bay Area. Resolutions and employment agreements outline all Agency employees' salaries and benefits and state the terms of employment agreed upon between the Agency and its employees.

The Agency contracted with CalPERS effective March 1, 1972 to provide retirement benefits for local miscellaneous employees. By way of the Agency's contract with CalPERS, the Agency agreed to be bound by the terms of the contract and by the Public Employees' Retirement Law (PERL). The Agency also agreed to make its employees members of CalPERS subject to all provisions of the PERL.

As part of the Board approved plan for Fiscal Year 2010-11, OAS reviewed the Agency's payroll reporting and member enrollment processes related to the Agency's retirement contract with CalPERS. The review was limited to the examination of sampled employees, records, and pay periods from January 1, 2009 through December 31, 2011. The on-site fieldwork for this review was conducted from February 6, 2012 through February 10, 2012. Subsequent to the on-site field work, we expanded the scope of review to include the review of the 2007 and 2008 Agreements for Management and Administrative Services between the Agency and

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the Local Government Services Authority (LGS). The review objectives and a summary of the procedures performed are listed in Appendix A.

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OFFICE OF AUDIT SERVICES REVIEW RESULTS

1: The Agency's pay schedule did not meet all the Government Code and CCR requirements and reported payrates did not meet the definition of compensation earnable.

Condition:

The Agency reported compensation that did not meet the definition of compensation earnable in Government Code Section 20636. Only compensation earnable as defined under Government Code Section 20636 and corresponding regulations can be reported to CalPERS and considered in calculating retirement benefits. Payrate is defined as the normal monthly rate of pay or base pay of the member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours, pursuant to a publicly available pay schedules. Payrate for a member who is not in a group or class is subject to the limitations in Government Code Section 20636 (e)(2). Government Code Section 20636(d) also requires that payrate and special compensation schedules, ordinances, or similar documents shall be public records available for public scrutiny.

- A. The Agency did not provide any pay schedules that met all of the Government Code and CCR requirements. Specifically, the pay schedules were not duly approved and adopted by the Agency's governing body in accordance with the requirements of applicable public meetings laws. Additionally, the pay schedules did not identify all position titles, time bases, and referenced another document in lieu of disclosing certain payrates and did not indicate the effective or revision dates. The pay schedules listed salary grades on a matrix but it did not associate each payrate with a position. In order to identify a payrate for a position, a second document was required to associate the salary grade with each position. As a result, pay amounts did not meet the definition of payrate under Government Code Section 20636 and the pay schedule did not meet the CCR Section 570.5 requirements.

For the purposes of determining the amount of compensation earnable, a member's payrate is limited to the amount identified on a publicly available pay schedule. Per CCR Section 570.5, a pay schedule, among other things, must:

- Be duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meetings laws;
- Identify the position title for every employee position;

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- Show the payrate as a single amount or multiple amounts within a range for each identified position;
- Indicate the time base such as hourly, daily, bi-weekly, monthly, bi-monthly, or annually;
- Be posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet website;
- Indicate an effective date and date of any revisions;
- Be retained by the employer and available for public inspection for not less than five years; and
- Not reference another document in lieu of disclosing the payrate.

Pay amounts reported for positions that do not comply with the payrate definition and pay schedule requirements cannot be used to calculate retirement benefits because the amounts do not meet the definition of payrate under Government Code Section 20636(b)(1). There are no exceptions included in Government Code Section 20636(b)(1). When an employer does not meet the requirements for a publicly available salary schedule, CalPERS, in its sole discretion, may determine an amount that will be considered to be payrate as detailed in CCR Section 570.5.

- B. The positions of Executive Director and General Counsel were not listed on a publicly available pay schedule. The Agency provided employment contracts for both positions; however, contracts do not meet the definition of publicly available pay schedule set forth in Government Code Section 20636 (b), 20636 (d), and CCR Section 570.5. OAS found no other publicly available documents that were available for public scrutiny that included the payrates for these positions. Therefore, OAS determined that the compensation reported for these positions did not meet the definition of payrate, did not meet the requirement in Government Code Section 20636(d), did not meet the requirements of CCR section 570.5, and therefore may not be considered when retirement benefits are calculated.

Additionally, these two contracted positions received several pay increases during the scope of the review. OAS reviewed each of these increases to determine whether the increases met the definition of payrate and whether these additional amounts should have been reported. OAS concluded that the compensations reported for these pay increases did not meet the definition of compensation earnable, because the Agency was unable to provide publicly available documents that approved the pay increases. Pay amounts reported for positions that do not comply with the pay schedule requirements cannot be used to calculate retirement benefits because the amounts do not meet the definition of payrate under Government Code Section 20636(b)(1).

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Recommendation:

The Agency should ensure reported payrates are set forth in a publicly available pay schedule and that pay schedules meet the other requirements of payrate under Government Code Section 20636 and CCR Section 570.5. Government Code Section 20636(d) also requires that payrate and special compensation schedules, ordinances, or similar documents must be public records available for public scrutiny.

The Agency should ensure that payrates and earnings are correctly reported to CalPERS in accordance with the relevant statutes, regulations and approved pay schedules.

The Agency should work with CalPERS Employer Account Management Division (EAMD) to make adjustments, if necessary, to any impacted active and retired member accounts pursuant to Government Code Section 20160.

Criteria:

Government Codes: § 20160, § 20636
CCR: § 570.5

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<p>2: The Agency did not enroll an eligible part-time employee as required.</p>

Condition:

The Agency did not enroll a part-time employee who worked a total of 1,032 hours in the pay period ended June 11, 2010. Government Code Section 20305 requires employees who complete 1,000 hours within a fiscal year to be enrolled into membership effective not later than the first day of the first pay period of the month following the month in which 1,000 hours of service were completed. Government Code Section 20283 provides in pertinent part that any employer that fails to enroll an employee into membership when he or she becomes eligible, or within 90 days thereof, when the employer knows or can reasonably be expected to have known of that eligibility shall be required to pay all arrears costs for member contributions and administrative costs of five hundred dollars (\$500) per member as a reimbursement to this system's current year budget.

Recommendation:

The Agency should monitor the hours worked by part-time employees and ensure employees are enrolled when membership eligibility requirements are met.

The Agency should work with EAMD to make adjustments, if necessary, to any impacted active and retired member accounts pursuant to Government Code Section 20160. The Agency should also work with EAMD to assess whether Government Code Section 20283 will apply.

Criteria:

Government Codes: § 20044, § 20160, § 20283, § 20305

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3: The Agency unlawfully employed a retired annuitant.

Condition:

The Agency did not reinstate a retired annuitant who exceeded the 960-hour threshold for hours worked in Fiscal Year 2010-11. Specifically, the retired annuitant worked a total of 973 hours, and was not reinstated in CalPERS membership. The Government Code limits the number of hours a retired person can work to no more than 960 hours each fiscal year.

Government Code Section 21220 addresses the conditions and consequences of unlawful employment of a person who has been retired under this system. The Government Code states that any retired member employed in violation of this article shall reimburse this system for any retirement allowance received during the period or periods of employment that are in violation of law, pay to this system an amount of money equal to the employee contributions that would otherwise have been paid during the period or periods of unlawful employment plus interest thereon, and contribute toward reimbursement of this system for administrative expenses incurred in responding to this situation, to the extent the member is determined by the executive officer to be at fault.

The Government Code also states that any public employer that employs a retired member in violation of this article shall pay to this system an amount of money equal to employer contributions that would otherwise have been paid for the period or periods of time that the member is employed in violation of this article, plus interest thereon and contribute toward reimbursement of this system for administrative expenses incurred in responding to this situation, to the extent the employer is determined by the executive officer of this system to be at fault.

Recommendation:

The Agency should monitor the hours worked and payrate of retired annuitants in order to ensure the Agency complies with applicable working after retirement statutes contained in the Government Codes.

OAS recommends the Agency work with CalPERS Benefit Services Division (BNSD) to determine the appropriate course of action to address this finding.

Criteria:

Government Code: § 20160, § 21202, § 21220, § 21221, § 21224

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4: The Agency did not enroll eligible employees into CalPERS membership.

Condition:

The Agency did not enroll, report compensation earnable, or submit contributions for certain common-law employees. OAS identified two individuals assigned to provide services for the Agency under an employment agreement with a temporary agency, Local Government Services (LGS), that were actually common-law employees of the Agency. OAS determined in applying the common-law employment test that these individuals were under the control of the Agency and therefore, common-law employees of the Agency for the reasons discussed below. As a result, the Agency should have reported these individuals to CalPERS for retirement purposes. Government Code Section 20283 provides that any employer that fails to enroll an employee into membership when he or she becomes eligible, or within 90 days thereof, when the employer knows or can reasonably be expected to have known of that eligibility shall be required to pay all arrears costs for member contributions and administrative costs of five hundred dollars (\$500) per member as a reimbursement to this system's current year budget.

Government Code Section 20460 provides in relevant part that any public agency may participate in and make all or part of its employees members of this system by contract. Government Code Section 20022 defines a contracting agency as any public agency that has elected to have all or any part of its employees become members of this system and that has contracted with the Board for that purpose. Government Code 20028 defines an employee as any person in the employ of any contracting agency. Management and control of CalPERS is vested in the CalPERS Board of Administration (Board) as provided in Government Code Section 20120. Each member and each person retired is subject to the PERL and the rules adopted by the Board pursuant to Government Code Section 20122. Government Code Section 20125 provides that the Board shall determine who are employees and is the sole judge of the conditions under which persons may be admitted to and continue to receive benefits under this system.

For the purposes of the PERL and for programs administered by the Board, the standard used for determining whether an individual is the employee of another entity is the California common-law employment test as set forth in the California Supreme Court case titled *Tieberg v. Unemployment Ins. App. Bd.*, (1970) 2 Cal. 3d 943, which was cited with approval in *Metropolitan Water Dist. v. Superior Court (Cargill)*, (2004) 32 Cal. 4th 491, and which was adopted by the Board in two precedential decisions, *In the Matter of Lee Neidengard*, Precedential Decision No. 05-01, effective April 22, 2005, and *In the Matter of Galt Services Authority*, Precedential Decision No. 08-01, effective October 22, 2008.

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In applying the California common-law employment test, the most important factor in determining whether an individual performs services for another employer is the right of the principal to control the manner and means of job performance and the desired result, whether or not this right is exercised. Where there is independent evidence that the principal has the right to control the manner and means of performing the service in question, CalPERS will determine that an employer-employee relationship exists between the employee and the principal.

Other factors to be taken into consideration under the common-law employment test are as follows:

- Whether or not the one performing services is engaged in a distinct occupation or business.
- The kind of occupation, with reference to whether, in the locality, the work is usually done under the direction of a principal or by a specialist without supervision.
- The skill required in the particular occupation.
- Whether the principal or the individual performing the services supplies the instrumentalities, tools, and the place of work for the person doing the work.
- The length of time for which the services are to be performed.
- The method of payment, whether by the time or by the job.
- Whether or not the work is a part of the regular business of the principal.
- Whether or not the parties believe they are creating the relationship of employer-employee.

OAS reviewed the services provided by the individuals assigned by LGS in the positions of Regional Transportation Coordinator and Revenue Auditor and determined these individuals performed services as common-law employees of the Agency rather than of LGS. As such, OAS determined the Agency did not enroll eligible employees in membership.

Our review included information obtained from the employment relationship questionnaires, the management services agreement between LGS and MTC, individual employment agreements, personnel action forms, and other information related to two individuals. The facts outlined below support a finding of common-law employment with the Agency for the sampled individuals:

- In the event that the Agency, in its sole discretion, at any time during the term of this agreement, desires the reassignment of any such persons, LGS shall reassign such person or persons.
- The Agency has the sole discretion to determine if the services performed by LGS are satisfactory to the Agency.

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- The Executive Director of LGS will not reassign any of the LGS staff without first consulting with the Agency.
- Although the individual is paid by LGS, LGS bills MTC for the work performed by invoice using an hourly rate that includes the individual's salary and all benefits. It also appears that MTC agreed to pay LGS a flat fee over and above the cost of this individual's salary and benefits. In a document entitled "Agreement for Management and Administrative Services" (Agreement) dated June 29, 2007, in Exhibit A, it states that the amounts stated, "... includes overhead charges and insurance costs at a flat rate of \$17,402 per position . . ."
- Pursuant to the Agreement, reimbursed compensation is intended to include the costs of contributions to any pensions and/or annuities for which LGS may be obligated for individuals providing services on its behalf or may otherwise be contractually obligated.
- The Agency reserves the right to review the recommended candidate's resume, qualifications, experience, education and references prior to assignment.
- The Agency reserves the right to review with the assigned staff the proposed work plan including project deliverables, deadlines, and actual performance towards achieving the assigned work plan.
- LGS shall assign the individuals to serve in the Agency's positions that require performing the functions and duties specified in the Agency's job descriptions for those positions and such other legally permissible and proper duties and functions as the Agency may, from time to time assign.
- Individuals providing services through LGS are assigned to provide these services and shall be available to perform the services during the Agency's normal workweek.
- Individuals providing services through LGS are assigned to provide these services and will meet regularly and as often as necessary with the Agency's Executive Director or his designated Agency staff for the purpose of consulting with them about the scope of work he or she performs.
- The individuals are also required to meet with other Agency staff, members of the public, and attend Agency and other meetings as necessary. Such individuals providing services through LGS are required to perform Agency services at the Agency's offices in Oakland.

In addition to the above characteristics shared by both individuals, OAS noted the following specific facts, employment details, and responsibilities ascribed to the positions, further supporting a finding that the individuals were common-law employees of the Agency. Pertinent information identified for each of the individuals reviewed is as follows:

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Regional Transportation Funding Coordinator

The Regional Transportation Funding Coordinator served as program administrator for non-transit elements of Regional Measure 2 (RM2), a voter-approved measure that provides funds for congestion relief projects in the Bay Area Bridge corridors. The individual also managed several local street and road coordination elements, conducted complex financial analysis, monitored transportation programs as necessary, produced and presented reports on transportation programs as necessary, and performed various analyses to support Programming and Allocation Section functions as needed. The facts outlined below support a finding of common-law employment with the Agency:

- The individual began providing services for the Agency on October 1, 2008.
- The services are performed at Agency locations.
- The Individual is required to attend Agency meetings that relate to the scope of the project.
- The position requires a full-time employee.
- The individual is required to do the work personally.
- The Agency controls how the individual does the work.
- The manager or lead of the Agency directs the individual and provides LGS with performance information so that LGS can complete the performance appraisal.
- The Agency provides the individual with office space, office equipment, stationery, and e-mail.
- The individual may be required to attend training that is applicable to the project. Training is paid for by the Agency.
- The work performed by this individual is considered to be the work of MTC.

Revenue Auditor

The Revenue Auditor performed daily functions related to toll bridge revenue operations such as: monitored daily reconciliation and audit of revenue for toll collectors for the seven Bay Area Bridges; evaluated and analyzed variances for toll revenue; interpreted and reconciled daily reports; reported any cash and electronic toll variances and lane equipment malfunctions; monitored daily reports from bridge operations; prepared a variety of reports including daily reports, daily collection summaries, weekly and monthly bridge statistics, and reconciliations; worked with audit staff on testing and implementation of new toll collection systems; undertook other specific assignments as required; and worked closely and cooperatively with the Agency's Finance section, bridge personnel, and other Agency staff. The facts outlined below support a finding of common-law employment with the Agency:

- The individual began providing services for the Agency on June 11, 2012.
- The services are performed at Agency locations.

METROPOLITAN TRANSPORTATION COMMISSION

- The individual is required to attend Agency meetings that relate to the project.
- The position requires a full-time employee.
- The individual is required to do the work personally.
- The Agency controls how the individual does the work.
- The manager or lead of the Agency directs the individual and provides LGS with performance information so that LGS can complete the performance appraisal.
- The Agency provides the individual with office space, office equipment, stationary, and an e-mail account.
- The individual may be required to attend training that is applicable to the project. Training is paid for by the Agency.
- The work performed by this individual is considered to be the work of MTC.

OAS determined that the control over the individuals was with the Agency and after considering the secondary factors, OAS concluded the Agency was the common-law employer of these individuals. The contract for both employees state a term of full-time, continuous employment in excess of six months. Therefore, the Agency should have enrolled, reported compensation earnable, and submitted contributions for both employees beginning the first day of their employment with the Agency.

Recommendation:

The Agency should immediately ensure that all common-law employees are enrolled and reported to CalPERS.

The Agency should work with EAMD to assess the impact of the membership enrollment issue and make the necessary adjustments to all active and retired member accounts pursuant to Government Code Section 20160. In each of the sampled Fiscal Years 2008-09 through 2011-12, MTC had between eight and 17 individuals providing services through LGS. EAMD should also work with the Agency to determine whether any of the other individuals providing services through LGS for the Agency are the common-law employees of the Agency and should make any necessary corrections required as a result of those determinations. The Agency should also work with EAMD to assess whether Government Code Section 20283 will apply.

Criteria:

Government Codes: § 20028, § 20056, § 20125, § 20160, § 20283, § 20502

METROPOLITAN TRANSPORTATION COMMISSION

CONCLUSION

OAS limited this review to the areas specified in the scope section of this report and in the objectives outlined in Appendix A. The procedures performed provide reasonable, but not absolute, assurance that the Agency complied with the specific provisions of the PERL and CalPERS contract except as noted.

The findings and conclusions outlined in this report are based on information made available or otherwise obtained at the time this report was prepared. This report does not constitute a final determination in regard to the findings noted within the report. The appropriate CalPERS divisions will notify the Agency of the final determinations on the report findings and provide appeal rights, if applicable, at that time. All appeals must be made to the appropriate CalPERS division by filing a written appeal with CalPERS, in Sacramento, within 30 days of the date of the mailing of the determination letter, in accordance with Government Code Section 20134 and Sections 555-555.4, Title 2, of California Code of Regulations.

Respectfully submitted,



BELIZ CHAPPUÉ, CPA, MBA
Chief, Office of Audit Services

Staff: Cheryl Dietz, CPA, Assistant Division Chief
Diana Thomas, CIA, CIDA, Senior Manager
Chris Wall, Senior Manager

METROPOLITAN TRANSPORTATION COMMISSION

APPENDIX A

OBJECTIVES

METROPOLITAN TRANSPORTATION COMMISSION

OBJECTIVES

The objectives of this review were limited to determine whether the Agency complied with:

- Applicable sections of the California Government Code (Sections 20000 et seq.) and Title 2 of the CCR.
- Reporting and enrollment procedures prescribed in the Agency's retirement contract with CalPERS.

This review did not include an assessment as to whether the Agency is a "public agency," and expresses no opinion or finding with respect to whether the Agency is a public agency or whether its employees are employed by a public agency.

METHODOLOGY

To accomplish the review objectives, OAS interviewed key staff members to obtain an understanding of the Agency's personnel and payroll procedures, reviewed documents, and performed the following procedures.

- ✓ Reviewed:
 - Provisions of the contract and contract amendments between the Agency and CalPERS
 - Correspondence files maintained at CalPERS
 - Agency Board minutes and Agency Board resolutions
 - Agency written labor policies and agreements
 - Agency salary, wage, and benefit agreements including applicable resolutions
 - Agency personnel records and employee time records
 - Agency payroll information including Contribution Detail Transaction History reports
 - Documents related to employee payrate, special compensation, and benefits
 - Various other relevant documents
- ✓ Reviewed Agency payroll records and compared the records to data reported to CalPERS to determine whether the Agency correctly reported compensation.
- ✓ Reviewed payrates reported to CalPERS and reconciled the payrates to Agency public salary records to determine whether base payrates reported were accurate, pursuant to publicly available pay schedules that identify the position title, payrate and time base for each position, and duly approved by the Agency's governing body in accordance with requirements of applicable public meetings laws.

METROPOLITAN TRANSPORTATION COMMISSION

- ✓ Reviewed CalPERS reports to determine whether the payroll reporting elements were reported correctly.
- ✓ Reviewed the Agency's enrollment practices for temporary and part-time employees to determine whether individuals met CalPERS membership requirements.
- ✓ Reviewed the Agency's employment practices for retired annuitants to determine if retirees were lawfully employed and reinstated when unlawful employment occurs.
- ✓ Reviewed the Agency's independent contractors to determine whether the individuals were either eligible or correctly excluded from CalPERS membership.
- ✓ Reviewed the Agency's affiliated entity organizational structure to determine whether employees of the affiliated entity qualified for CalPERS membership and were enrolled as required.
- ✓ Reviewed the Agency's calculation and reporting of unused sick leave balances, if contracted to provide additional service credits for unused sick leave.

METROPOLITAN TRANSPORTATION COMMISSION

APPENDIX B

AGENCY'S WRITTEN RESPONSE

Note: The Agency provided an attachment to the response that was intentionally omitted from this appendix.



METROPOLITAN
TRANSPORTATION
COMMISSION

Joseph P. Bort MetroCenter
101 Eighth Street
Oakland, CA 94607-4700
TEL 510.817.5700
TTY/TDD 510.817.5769
FAX 510.817.5848
EMAIL info@mtc.ca.gov
WEB www.mtc.ca.gov

July 30, 2015

Dave Cortese, Chair
Santa Clara County

Jake Mackenzie, Vice Chair
Sonoma County and Cities

Alicia C. Aguirre
Cities of San Mateo County

Tom Azumbrado
U.S. Department of Housing
and Urban Development

Jason Baker
Cities of Santa Clara County

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Cities of Alameda County

David Campos
City and County of San Francisco

Dorene M. Giacopini
U.S. Department of Transportation

Federal D. Glover
Contra Costa County

Scott Haggerty
Alameda County

Anne W. Halsted
San Francisco Bay Conservation
and Development Commission

Steve Kinsey
Marin County and Cities

Sam Liccardo
San Jose Mayor's Appointee

Mark Luce
Napa County and Cities

Jillie Pierce
Association of Bay Area Governments

Bijan Saripi
California State
Transportation Agency

Lihby Schaaf
Oakland Mayor's Appointee

James P. Sperring
Solano County and Cities

Adrienne J. Tissier
San Mateo County

Scott Wiener
San Francisco Mayor's Appointee

Amy Rein Worth
Cities of Contra Costa County

Steve Heminger
Executive Director

Alix Borkelman
Deputy Executive Director, Policy

Andrew B. Frenier
Deputy Executive Director, Operations

Ms. Young Hamilton, Acting Chief
California Public Employees' Retirement System
Office of Audit Services
400 "Q" Street
Sacramento, CA 95811

Re: Response to Draft Report on Compliance Review CalPERS ID: 6361598907

Dear Ms. Hamilton:

The Metropolitan Transportation Commission (MTC) is in receipt of the Office of Audit Service's (OAS) May 2013 draft report relating to the contract between MTC and the California Public Employees' Retirement System (CalPERS). MTC welcomes the opportunity to respond to the draft report.

For the first three findings, MTC will implement the recommendations connected to these three findings and already has taken steps to do so.

As to the fourth finding, we disagree and present further information for OAS to consider before issuing the final report.

FINDINGS, RECOMMENDATIONS, AND MTC'S RESPONSE

Finding No. 1: The Agency pay schedule did not meet all the Government Code and CCR requirements

Recommendation:

The Agency should ensure reported payrates are set forth in a publicly available pay schedule and that pay schedules meet the other requirements of payrate under Government Code Section 20636 and CCR Section 570.5. Government Code Section 20636(d) also requires that payrate and special compensation schedules, ordinances, or similar documents must be public records available for public scrutiny. The Agency should ensure that payrates and earnings are correctly reported to CalPERS in accordance with the relevant statutes, regulations and approved pay schedules. The Agency should work with CalPERS Employer Account Management Division (EAMD) to make adjustments, if necessary, to any impacted active and retired member accounts pursuant to Government Code Section 20160.

Ms. Young Hamilton, Acting Chief
California Public Employees' Retirement System
July 30, 2015
Page 2

MTC response:

Finding 1A. MTC maintained duly approved pay schedules that listed the pay grade and salary steps for each pay grade. The pay schedules are public documents. However, in order to resolve this matter, MTC has added information to these schedules. The revised pay schedules include the following: position title for every employee position, pay rate for each position and time base for each pay rate position. This information is all contained in a single board approved document. We believe the new schedule meets code requirements and will resolve this finding. Attachment 1 is the board approved document which includes the resolution and the pay schedule. The link to the pay schedule is: <http://jobs.mtc.ca.gov/SalarySchedules/list.html>.

Finding 1B. MTC maintained duly approved written contracts that listed the pay for the current Executive Director and General Counsel. The contracts are public documents. However, in order to resolve this matter, MTC developed an appropriate resolution for approval by the MTC Commission. The resolution includes the pay schedule for the Executive Director and General Counsel as required by CCR Title 2, Section 570.5. The information included in the resolution includes: position title, pay rate and time base. This information is all contained in a single board approved document. There was also another resolution that approved the pay schedules for the two positions for the last three years. We believe the new resolution meets the audit requirement and will resolve this finding. A copy of the board approved resolution and pay schedule is included in Attachment 1. The link to the pay schedule is: <http://jobs.mtc.ca.gov/SalarySchedules/list.html>.

Finding No. 2: The Agency did not enroll an eligible part-time employee as required

Recommendation:

The Agency should monitor the hours worked by part-time employees and ensure employees are enrolled when membership eligibility requirements are met. The Agency should work with EAMD to make adjustments, if necessary, to any impacted active and retired member accounts pursuant to Government Code Section 20160. The Agency should also work with EAMD to assess whether Government Code Section 20283 will apply.

MTC response:

MTC monitors the hours worked by part-time employees to ensure that they are enrolled in CalPERS when eligibility requirements are met. In this instance, MTC tracked hours based on a calendar rather than a fiscal year, whereas CalPERS used a fiscal year, resulting in one employee exceeding the 1,000 hour limit. While this is a singular event, MTC will avoid a repeat of the error in the future by running and monitoring a Time History report from our Ceridian HR/Payroll system. The report will be run to cover hours worked by all part-time employees. MTC will take appropriate action should a part time employee exceed 1,000 hours in a single fiscal year. MTC will work with PERS on any corrective action that is required for this one employee.

Ms. Young Hamilton, Acting Chief
California Public Employees' Retirement System
July 30, 2015
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Finding No. 3: The Agency unlawfully employed a retired annuitant

Recommendation:

Agency should monitor the hours worked by retired annuitants in order to ensure the Agency complies with applicable working after retirement statutes contained in the Government Codes. OAS recommends the Agency work with CalPERS Benefit Services Division (BNSD) to determine the appropriate course of action to address this finding.

MTC response:

MTC monitors the hours worked by retired annuitants to ensure that they do not exceed limitations on number of hours worked. In this instance, MTC tracked hours based on a calendar rather than a fiscal year, whereas CalPERS used a fiscal year, resulting in one retired annuitant exceeding the 960 hour threshold. MTC will run a Time History report from our Ceridian HR/Payroll system for retired annuitants to prevent a repeat in the future. The report will be run and monitored on a monthly basis by fiscal year to monitor hours worked and ensure they do not exceed the 960 hour threshold. We will notify the employee(s) and supervisor of the accumulated hours worked and that the 960 threshold is not breached without the employee and PERS being informed. MTC will work with PERS on any corrective action that is required for this one employee.

Finding No. 4: The Agency did not enroll eligible employees into CalPERS membership

Recommendation:

The Agency should immediately ensure that all common law employees are enrolled and reported to CalPERS. The Agency should work with EAMD to assess the impact of the membership enrollment issue and make the necessary adjustments to all active and retired member accounts pursuant to Government Code Section 20160. In each of the sampled fiscal years 2008-09 through 2011-12, MTC had between eight and 17 individuals providing services through LGS. EAMD should also work with the Agency to determine whether any of the other individuals that providing services through LGS for the Agency are the common law employees of the agency and should make any necessary corrections required as a result of those determinations. The Agency should also work with EAMD to assess whether Government Code Section 20283 will apply.

MTC response:

MTC disagrees with the conclusion that MTC was required to offer the LGS employees CalPERS membership and to report benefit earnings through MTC's payroll. The LGS employees were in fact provided CalPERS membership and benefit earnings were reported by LGS throughout the employees' assignment to MTC.

Ms. Young Hamilton, Acting Chief
California Public Employees' Retirement System
July 30, 2015
Page 4

MTC response: (continued)

MTC has a valid contract with LGS to provide project-based staffing for specific assignments. LGS is not a "temporary agency" as suggested in the report but rather a Joint Powers Authority (JPA) that provides various governmental services, including temporary staffing, exclusively to government agencies. As part of the LGS/MTC agreement:

- LGS meets the criteria for membership in CalPERS
- LGS has a valid contract with CalPERS to provide retirement services
- LGS directly provides CalPERS membership to all employees
- All LGS employees assigned to MTC were provided immediate CalPERS membership
- LGS reports the appropriate benefit earnings, including salary and service credits to CalPERS

MTC did not fail to enroll "an employee into membership when he or she becomes eligible or within 90 days thereof ..." specifically because MTC was certain as part of our LGS agreement that the employees assigned to MTC were offered immediate PERS membership through the LGS agreement with CalPERS and that LGS employees maintained their PERS benefits throughout their relationship with MTC.

By contracting with LGS, a valid CalPERS contract agency, MTC was assured that the employees would receive CalPERS retirement benefits. If there is a question about LGS administration of PERS membership benefits, that issue should be addressed with LGS, not transferred to MTC. We respectfully request that this finding be removed.

If you have any questions about MTC's responses to the draft audit, please do not hesitate to contact me or one of my staff that have been working with you during the audit process: Robin James, Human Resource Manager, at 510-817-5740 (rjames@mtc.ca.gov) or Eva Sun, Principal Finance Director at 510-817-5795 (esun@mtc.ca.gov).



Steve Heminger
Executive Director

cc: Anthony Suine, Chief, BNSD, CalPERS
Renee Ostrander, Chief, EAMD, CalPERS
Carene Carolan, Chief, MAMD, CalPERS
Alix Bockelman, Deputy Executive Director, Policy, MTC
Mamie Lai, Director, Administrative & Technology Services and EEO Officer, MTC
Eva Sun, Finance, Principal Finance Director, MTC
Robin James, Human Resource Manager, MTC

Attachment

J:\SECTION\EXEC\EO\Steve Heminger\Correspondence 2015\CalPERS Draft Report Response 073015.docx



METROPOLITAN
TRANSPORTATION
COMMISSION

Joseph P. Bort MetroCenter
101 Eighth Street
Oakland, CA 94607-4700
TEL 510.817.5700
TDD/TTY 510.817.5769
FAX 510.817.5848
E-MAIL info@mtc.ca.gov
WEB www.mtc.ca.gov

Commission
Agenda #7a

Memorandum

TO: Administration Committee

DATE: January 6, 2016

FR: Executive Director

W. I. 1152

RE: MTC Resolution No. 4181, Revised - FY 2015-16 MTC Agency Budget Amendment

Attached for your review and referral to the Commission for approval is Resolution No. 4181, Revised, amending the MTC budget for FY 2015-16.

There are two primary reasons for the budget adjustment: 1) the addition of approximately \$1.9 million in revenue and expenses that were not known when the budget was originally adopted; and 2) the conversion of 25 contract-based positions to regular employees as a result of findings from the 2015 CalPERS audit report.

Bike Share:

The proposed change to the operating budget is mainly related to the Bike Share program. Staff has been working on a series of complex agreements between MTC, the Bay Area Air Quality Management District (Air District), and Bay Area Motivate, LLC (Motivate) to develop and operate a comprehensive Bike Share program. At the time of the budget approval, staff did not know the exact start-up costs of the program. We can now estimate the start-up costs at \$1.2 million with the funding coming from the Air District and Motivate, the Bike Share contractor. These costs cover the transfer of assets, transition operating costs, and Peninsula city operations through June 30, 2016. The remaining items include new grant funding for the travel model and ABAG's share of the merger study costs.

Staffing:

We are also requesting approval to convert 25 of our Local Government Services (LGS) and contract employees into regular MTC employees. Of these positions, five perform work for and are partially funded by other partner agencies such as shared services for our new headquarters at 375 Beale Street as well as the Bay Area Regional Collaborative. While this request will have no impact on the FY 2015-16 budget, the result will increase the authorized staffing level from 204 to 229.

As we have explained in the past, MTC requires a combination of regular, temporary and contract agency employees to manage the nature of our grant and project based work. MTC currently contracts with outside agencies, including LGS, to provide approximately 42 project-based employees. However, the work on our major projects such as Clipper® and Express Lanes has expanded over time requiring most of the employees to remain here for a number of years.

The project-based contract employees were a key subject area in a recently completed August 2015 audit conducted by California Public Employees' Retirement System (PERS). One key finding in the audit was that all LGS employees with more than 1,000 hours of service time were actually "common law" employees and, as such, are required to be granted PERS membership. Despite the fact that all LGS employees are enrolled in PERS and eligible for PERS benefits through LGS, PERS insists they be placed on MTC's payroll for PERS reporting purposes. Rather than risk paying double benefits as well as facing potential penalties assessed by PERS, staff proposes to convert 25 of the 42 employees to regular positions and terminate the LGS contract as of June 30, 2016. The remaining 17 LGS employees are no longer needed to perform ongoing MTC work and their positions will be phased out by June 30, 2016.

The detail of the regular positions breakdown by fund is as follows:

MTC	12
BATA	8
MTC SAFE	1
BAHA	4
Total	<u>25</u>

Because the full LGS contract amounts are already included in the FY 2015-16 operating budget, there is no budget increase required for this year.

MTC Operating Surplus Amendment # 1		\$ 2,912
New Revenue		
FHWA SP& R	\$ 150,000	
Local - Motivate	696,898	
Local – BAAQMD	500,000	
PMP Sales	400,000	
ABAG funds for the Merger study	<u>137,500</u>	
Total New Revenue		\$ 1,884,398
Additional Expenses		
Consultants		
Travel model	\$ 150,000	
Bike share -Motivate	696,898	
Bike share –BAAQMD	500,000	
Technical Service Plans	400,000	
ABAG Shortfall per MOU	<u>163,608</u>	
Total additional Expenses		\$ 1,910,506
Surplus/(Shortfall)		(\$ 26,108)
Transfer in from Reserve		<u>\$ 26,108</u>
		\$ 0

Grants Budget:

There is a total reduction of \$7.7 million in new grants for the Bike Share program as MTC will no longer be applying for those funds because a private business has agreed to provide the intended program at no cost. A new FTA grant of \$454,000 was added to administer the FTA 5310 program.


Clipper® Capital Budget:

A new agreement with SFMTA for the Central Subway Clipper® project will add an additional \$4.1 million to the Clipper® capital budget. The new revenue will fund \$180,000 in staff cost and \$3.9 million in consultant and contractor costs for the implementation of the wayside fare collection equipment for the Central Subway project.

Reserve Adjustments:

The full incorporation of all these revenue and expense adjustments will create a budgetary deficit of \$26,108 that will be covered from undesignated operating reserves. A revised copy of the MTC Budget is attached.

Staff recommends that this Committee forward MTC Resolution No. 4181, Revised, to the Commission for approval.


Steve Heminger

Date: June 24, 2015
W.I.: 1152
Referred By: Administration
Revised: 11/18/15-C
01/27/16-C

ABSTRACT

Resolution No. 4181, Revised

This resolution approves the Agency Budget for FY 2015-16.

This resolution was revised on November 18, 2015 for budget changes. The changes include FY 2014-15 Budget amendments as well as carryover funding approved in prior years. In addition a transfer of \$275,000 from reserve is required for a study of the MTC/ABAG merger implementation plan.

This resolution was revised on January 27, 2016 for budget changes. The changes include FY 2015-16 Budget amendments for the addition of approximately \$1.9 million in revenue and expenses that were not known when the budget was originally adopted; and the conversion of 25 contract based positions to regular employees as a result of findings from the 2015 CalPERS audit report.

Further discussion of the agency budget is contained in the MTC Executive Director's memorandum to the Administration Committee dated June 3, 2015, and January 6, 2016. An updated budget is attached as Attachments A, B and C.

Date: June 24, 2015
W.I.: 1152
Referred By: Administration

Re: Metropolitan Transportation Commission's Agency Budget for FY 2015-16

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 4181

WHEREAS, the Metropolitan Transportation Commission (MTC or the Commission) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 *et seq.*; and

WHEREAS, on April 22, 2015 the Commission approved MTC's Overall Work Program (OWP) for Fiscal Year 2015-16 with the adoption of MTC Resolution No. 4183; and

WHEREAS, the OWP identifies MTC's unified work program for FY 2015-16; and

WHEREAS, the final draft MTC Agency Budget for FY 2015-16 as reviewed and recommended by the Administration Committee is consistent with the OWP as adopted pursuant to MTC Resolution No. 4183; now, therefore, be it

RESOLVED, that MTC's Agency Budget for FY 2015-16, prepared in accordance to generally accepted accounting principles and modified accrual, attached hereto as Attachment A, and incorporated herein as though set forth at length, is approved; and, be it further

RESOLVED, that MTC delegates to its Administration or Operations Committees the authority to approve all contracts and expenditures in MTC's Agency Budget for FY 2015-16, providing that there shall be no increase in the overall budget without prior approval of the Commission; and, be it further

RESOLVED, that MTC's Executive Director, or the responsible MTC staff person designated by the Executive Director, shall submit written requests to the Administration or Operations Committees for approval of consultants, professional services, and expenditures authorized in the MTC Agency Budget for FY 2015-16; and, be it further

RESOLVED, that MTC's Executive Director, and the Chief Financial Officer are authorized to carry over and re-budget all grants, contracts and funds properly budgeted in the prior year for which expenditures were budgeted and encumbered and which will take place in FY 2015-16; and, be it further

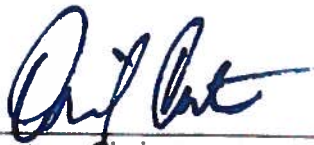
RESOLVED, that the Commission authorizes that the use of funds from the general fund for cash flow purposes, as an advance on authorized expenditures until the expenditures have been reimbursed; and, be it further

RESOLVED, that the Commission authorizes the designation of certain reserves for FY 2015-16 as follows: Benefits, Liability, Compensated leave, Encumbrances, Building, and Fixed Asset Replacement. The Chief Financial Officer is authorized to set aside a \$1,250,000 liability reserve and establish a \$800,000 contract budget against the liability reserve. The Chief Financial Officer is authorized to utilize the funds in the Benefits Reserve to meet any obligations resulting from the requirements of or changes in the employee labor agreements. No additional expenditures shall be authorized from any designated reserves authorized by MTC's Agency Budget for FY 2015-16 without prior authorization of the Administration Committee; and, be it further

RESOLVED, that the total of full time regular and project employees is established at 204 and will not be increased without approved increase to the appropriate FY 2015-16 budget and that the Executive Director or Designee is authorized to manage all contract, hourly or agency employees within the authorized FY 2015-16 budgets; and, be it further

RESOLVED, that MTC's Executive Director, or the responsible MTC staff person designated by the Executive Director, shall furnish the Administration Committee with a monthly financial report to reflect budgeted and actual income, expenditures, obligations for professional and consultant services and such other information and data as may be requested by the Administration Committee.

METROPOLITAN TRANSPORTATION COMMISSION



Dave Cortese, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in Oakland, California on June 24, 2015.

Date: June 24, 2015
W.I.: 1152
Referred by: Administration
Revised: 11/18/15-C
01/27/16-C

Attachments A, B, C
Resolution No. 4181, Revised

METROPOLITAN TRANSPORTATION COMMISSION

AGENCY BUDGET

FY 2015-16

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METROPOLITAN TRANSPORTATION COMMISSION

BUDGET FY 2015-16

Attachment A

SUMMARY

PART 1: OPERATING REVENUE-EXPENSE SUMMARY

	Amended BUDGET FY 2015-16	Amended BUDGET FY 2015-16	Change % Inc./(Dec)	Change \$ Inc./(Dec)
General Planning Revenue	\$25,055,751	\$25,205,751	1%	\$150,000
Other MTC Revenue	1,652,067	1,652,067	0%	0
Transfers from other Funds	33,184,712	33,210,820	0%	26,108
Local Revenue Grants	2,546,278	4,280,676	68%	1,734,398
Total Operating Revenue	\$62,438,808	\$64,349,314	3%	\$1,910,506
Total Operating Expense	\$62,435,896	\$64,346,402	3%	\$1,910,506
Operating Surplus (Shortfall)	\$2,912	\$2,912	0%	\$0
Total Operating Revenue - Prior Year	\$6,131,209	\$6,131,209	0%	\$0
Total Operating Expense - Prior Year	\$6,131,209	\$6,131,209	0%	\$0
Operating Surplus (Shortfall)- Prior year	\$0	\$0	0%	\$0
Total Operating Surplus (Shortfall)	\$2,912	\$2,912	0%	\$0

PART2: CAPITAL PROJECTS REVENUE-EXPENSE SUMMARY

Total Annual Capital Revenue	\$1,543,000	\$1,543,000	0%	\$0
Total Annual Capital Expense	\$1,543,000	\$1,543,000	0%	\$0
Capital Surplus(Shortfall)	\$0	\$0	0%	\$0
TOTAL FISCAL YEAR SURPLUS (SHORTFALL)	\$2,912	\$2,912	0%	\$0

PART3: CHANGES IN RESERVES

Transfer To Designated Reserve	\$0	\$0		
Net MTC Reserves - in(out)	\$2,912	\$2,912	0%	\$0
Current Year Ending Balance	\$0	\$0		

REVENUE DETAIL

	Amended BUDGET FY 2015-16	Amended BUDGET FY 2015-16	Change % Inc./Dec	Change \$ Inc./Dec
General Planning Revenue				
FTA Section 5303	\$3,247,073	\$3,247,073	0%	\$0
FTA 5303 carryover FY15	1,159,642	1,159,642	0%	0
FTA 5303 Final Allocation FY15	5,506	5,506	0%	0
Sustainable Transportation Planning Grant	300,000	300,000	0%	0
FHWA SP&R - SACOG	0	150,000	-100%	150,000
FHWA 1/2 % PL	7,546,404	7,546,404	0%	0
FHWA PL Final Allocation FY15	(200,702)	(200,702)	0%	0
FHWA PL carryover FY15	697,828	697,828	0%	0
TDA (Planning/Administrative)	12,300,000	12,300,000	0%	0
Subtotal: General Planning Revenue	\$25,055,751	\$25,205,751	1%	\$150,000
Other MTC Revenue				
STIP-PPM	\$1,142,067	\$1,142,067	0%	\$0
HOV lane fines	490,000	490,000	0%	0
Interest	20,000	20,000	0%	0
Subtotal: MTC Other Revenue	\$1,652,067	\$1,652,067	0%	\$0
Operating Transfers				
BATA 1%	\$7,087,000	\$7,087,000	0%	\$0
Transfer BATA RM2	1,792,000	1,792,000	0%	0
BATA Reimbursements (Audit/misc. contracts)	1,367,900	1,367,900	0%	0
Express Lanes	375,000	375,000	0%	0
RAFC Management Services	531,769	531,769	0%	0
Service Authority Freeways Expressways (SAFE)	2,527,886	2,527,886	0%	0
Exchange Fund Transfer	10,000,000	10,000,000	0%	0
STA Transfer	2,749,000	2,749,000	0%	0
2% Transit Transfers	511,254	511,254	0%	0
Transfer in from Reserve - Move related	1,000,000	1,000,000	0%	0
Transfer in from Reserve - MTC/ABAG Study	275,000	275,000	0%	0
Transfer in from Reserve - to cover shortfall	0	26,108	-100%	26,108
Transfer in from Liability Reserve	800,000	800,000	0%	0
Transfer in from SAFE & BATA for computer capital	280,000	280,000	0%	0
Grant Funded - Overhead	2,031,713	2,031,713	0%	0
Capital Programs - Overhead	1,856,190	1,856,190	0%	0
Subtotal: Transfers from other funds	\$33,184,712	\$33,210,820	0%	\$26,108
MTC Total Planning Revenue	\$59,892,530	\$60,068,638	0%	\$176,108
Local Revenue Grants				
Misc. Revenue (PMP Sales)	\$800,000	\$1,200,000	50%	\$400,000
ABAG	0	137,500	-100%	\$137,500
TFCA (Regional Rideshare), Spare the Air	1,204,967	1,204,967	0%	0
BAAQMD	0	500,000	-100%	500,000
Motivate	0	696,898	-100%	696,898
Cities	541,311	541,311	0%	0
Subtotal: Local Revenue Grants	\$2,546,278	\$4,280,676	68%	\$1,734,398
Total Current Year Revenue	\$62,438,808	\$64,349,314	3%	\$1,910,506
MTC Prior Year Project Revenue				
Prior Year Project Revenue - Federal/State				
FTA 5303	774,481	774,481		
FHWA	34,522	34,522		
State Transit Assistance (STA)	630,327	630,327		
Subtotal:	\$1,439,330	\$1,439,330		
Prior Year Project Revenue - Local				
General Fund	1,954,000	1,954,000		
Transportation Funds for Clean Air (TFCA)	76,565	76,565		
Service Authority for Freeways/Expressways (SAFE)	1,422,154	1,422,154		
PTAP LM	174,730	174,730		
PPM	75,017	75,017		
RM2/BATA Reimb.	216,803	216,803		
AB 664	51,525	51,525		
local Cities	718,830	718,830		
2% Transit	2,255	2,255		
Subtotal:	\$4,691,879	\$4,691,879		
Total Prior Year Project Revenue	\$6,131,209	\$6,131,209		

**EXPENSE SUMMMARY
BUDGET FY 2015-16**

	Amended BUDGET FY 2015-16	Amended BUDGET FY 2015-16	Change % Inc./Dec)	Change \$ Inc./Dec)
Operating Expense				
I. Salaries and Benefits	\$23,015,039	\$22,865,039	-1%	(\$150,000)
MTC Staff - Regular	\$18,439,029	\$18,439,029	0%	\$0
OPEB	1,589,625	1,589,625	0%	0
Temporary Staff	128,688	128,688	0%	0
Project Based Staff & LGS	2,830,697	2,680,697	-5%	(150,000)
Interns	27,000	27,000	0%	0
II. Travel and Training	\$402,000	\$402,000	0%	\$0
III. Printing, Repro. & Graphics	\$134,100	\$134,100	0%	\$0
IV. Computer Services	\$1,404,500	\$1,404,500	0%	\$0
V. Commissioner Expense	\$70,000	\$70,000	0%	\$0
VI. Advisory Committees	\$15,000	\$15,000	0%	\$0
VII. General Operations	\$3,708,656	\$3,708,656	0%	\$0
Subtotal Staff Cost	\$28,749,295	\$28,599,295	-1%	(\$150,000)
IX. Contractual Services	\$33,686,601	\$35,747,107	6%	\$2,060,506
Total Operating Expense Current Year	\$62,435,896	\$64,346,402	3%	\$1,910,506
IX. Contractual Services - Prior Year	\$6,131,209	\$6,131,209	0%	\$0
Transfer out to BAHA	\$0	\$0	0%	\$0
Total Operating Expense	\$68,567,105	\$70,477,611	3%	\$1,910,506

CAPITAL PROJECTS

	Amended BUDGET FY 2015-16	Amended BUDGET FY 2015-16	Change % Inc./Dec)	Change \$ Inc./Dec)
Annual Transfer from Reserve to Capital	\$1,543,000	\$1,543,000	0%	\$0
Annual Capital Expense	\$1,543,000	\$1,543,000	0%	\$0
	LTD Budget Thru FY 2015-16	Amended BUDGET FY 2015-16		LTD Budget Thru FY 2015-16
Hub Signage Program				
Revenue				
Prop. 1B	\$9,856,450	\$0		\$9,856,450
RM2	362,000	0		362,000
Real Time Sign - BART	300,000	0		300,000
Real Flap Sign - STA	166,300	0		166,300
	\$10,654,450	\$0		\$10,684,750
Expense				
Staff	\$1,200,000	\$0		\$1,200,000
Consultants	9,484,750	0		9,484,750
	\$10,654,450	\$0		\$10,684,750

**CONTRACTUAL SERVICES DETAIL
New Contractual and Professional Services**

Work Element	Description/Purpose	Amended BUDGET FY 2015-16	Amended BUDGET FY 2015-16	Change \$ Inc./Dec)
1111	Support Commission Standing Committees			
	Planning Programs - Other	\$150,000	\$150,000	\$0
	TOTAL	\$150,000	\$150,000	\$0
1112	Implement Public Information Program			
	LWV Monitor	\$25,000	\$25,000	\$0
	Photography services for MTC/BATA	50,000	50,000	0
	Design & Production Services	150,000	150,000	0
	On-call Facilitation and Outreach	25,000	25,000	0
	PDA Communication	50,000	50,000	0
	Digital Promotion & Analysis	25,000	25,000	0
	Awards Program	15,000	15,000	0
	MTC web integration/portal	125,000	125,000	0
	TOTAL	\$465,000	\$465,000	\$0
1121	Plan Bay Area			
	Develop Public Involvement	175,000	175,000	0
	Event Expenses	100,000	100,000	0
	CBO Outreach	50,000	50,000	0
	Public Opinion/Revenue Polls (2 total)	145,000	145,000	0
	Digital Tools/Visualization	75,000	75,000	0
	EIR Development	370,000	520,000	150,000
	MTC/ABAG Merger Implementation Plan	275,000	137,500	(137,500)
	Express Lane Settlement Agreement	50,000	50,000	0
	Plan Bay Area Implementation	0	0	0
	Plan Bay Area Future Trends	0	0	0
	SCS/RTP Plan Development	0	0	0
	Economic Development Strategy	0	0	0
	TOTAL	\$1,240,000	\$1,252,500	\$12,500
1122	Analyze Regional Data using GIS and Travel Models			
	Travel Model Assistance	\$150,000	\$150,000	\$0
	Land use Model Research	250,000	250,000	0
	Travel Model Research	50,000	50,000	0
	Technical Support for Web Based Projects	100,000	100,000	0
	Leverage SHRP2 Investment	100,000	100,000	0
	Consolidated household travel	75,000	75,000	0
	Regional Transit on Board	1,824,565	1,974,565	150,000
	Freight Modeling Program	50,000	50,000	0
	Evolving Transport Research Program Development	50,000	50,000	0
	Pilot fare Coordination project	0	0	0
	Evolving Transport Research Program Development	0	0	0
	TOTAL	\$2,649,565	\$2,799,565	\$150,000
1124	Regional Goods Movement Plan			
	Regional Goods Movement Study	\$0	\$0	\$0
	HUD Follow-up Efforts	150,000	150,000	0
	Sustainable Transportation Planning	450,000	450,000	0
	Zero Emission Freight Study	0	0	0
	TOTAL	\$600,000	\$600,000	\$0
1125	Non-Motorized Transportation			
	Bike Share Program - Operating Expenses	0	500,000	500,000
	Bike Share Program - Assets/Equipment	0	696,898	696,898
	TOTAL	\$0	\$1,196,898	\$1,196,898
1132	Advocacy Coalitions			
	Legislative advocates - Sacramento	\$151,000	\$151,000	\$0
	Mineta Transportation Institute	100,000	100,000	0
	Legislative advocates - Washington D.C.	263,000	263,000	0
	TOTAL	\$514,000	\$514,000	\$0
1152	Agency Financial Management			
	Financial Audit	\$400,000	\$400,000	\$0
	Project Audits	0	0	\$0
	OPEB Actuary	15,000	15,000	0
	Financial System Upgrade	20,000	20,000	0
	TOTAL	\$435,000	\$435,000	\$0
1153	Administrative Services			
	Organizational and Compensation	\$100,000	\$100,000	\$0
	Ergonomics	75,000	75,000	0
	Move related Projects	150,000	150,000	0
	Internship Program	136,000	136,000	0
	TOTAL	\$461,000	\$461,000	\$0

CONTRACTUAL SERVICES DETAIL

Work Element	Description/Purpose	Amended BUDGET FY 2015-16	Amended BUDGET FY 2015-16	Change \$ Inc./Dec)
1161	Information Technology Services			
	Network/Security Support	\$0	\$0	\$0
	Web/DB Application Development/Integration	50,000	50,000	0
	Network Assistance	50,000	50,000	0
	Enterprise data and process review	350,000	350,000	0
	Document scanning	50,000	50,000	0
	Move Assistance/Project Management	150,000	150,000	0
	TOTAL	\$650,000	\$650,000	\$0
1212	Performance Measuring and Monitoring			
	State of the Region/Performance Monitoring	\$150,000	\$150,000	\$0
	RTP Performance	75,000	75,000	0
	State of Good Repair Performance Analysis	75,000	75,000	0
	TOTAL	\$300,000	\$300,000	\$0
1222	Regional Rideshare Program			
	511 Ridesharing Program Operations	\$1,000,000	\$1,000,000	\$0
	511 Program Marketing	200,000	200,000	0
	SB 1339 Implementation	0	0	0
	TOTAL	\$1,200,000	\$1,200,000	\$0
1223	Operational Support for Regional Programs			
	TMC Legacy Projects and Contingency	\$0	\$0	\$0
	Park N Ride	150,000	150,000	0
	ITS Architecture	200,000	200,000	0
	TMS Technical Advisor & Guidance Bench	0	0	0
	TOTAL	\$350,000	\$350,000	\$0
1224	Regional Traveler Information			
	511 Traffic/Real Time Transit	\$2,191,500	\$2,191,500	\$0
	HSP:511 Real Time	127,000	127,000	0
	511 Web Services	121,000	121,000	0
	511 Transit	891,000	891,000	0
	511 ESRI License	5,900	5,900	0
	Trip planner License	14,000	14,000	0
	Connected Vehicle	0	0	0
	TOTAL	\$3,350,400	\$3,350,400	\$0
1228	Regional Transportation Emergency Operation			
	Satellite Telephone-Annual Operations	\$50,000	\$50,000	\$0
	Transit Emergency Response	0	0	0
	EOC Training & Support	75,000	75,000	0
	TOTAL	\$125,000	\$125,000	\$0
1229	Regional Transportation Emergency Planning			
	Ongoing Emergency Exercise Support	\$300,000	\$300,000	\$0
	Emergency Response Strategies	100,000	100,000	0
	Joint Operations at @ Beale Street	1,100,000	1,100,000	0
	Transit Service Contingency	334,000	334,000	0
	TOTAL	\$1,834,000	\$1,834,000	\$0
1233	Transportation Asset Management			
	Software Development and Maintenance	\$900,000	\$1,300,000	\$400,000
	Transit Capital Inventory	100,000	100,000	0
	Software Training Support	34,410	34,410	0
	TAM Plan Development and Performance	75,000	75,000	0
	PTAP Projects	183,976	183,976	0
	Quality Assurance Program	50,000	50,000	0
	TOTAL	\$1,343,386	\$1,743,386	\$400,000
1234	Arterial Operations			
	Arterial Operations - Next Generation	\$0	\$0	\$0
	TOTAL	\$0	\$0	\$0
1235	Incident Management			
	Incident Management Task Force	\$100,000	\$100,000	\$0
	TOTAL	\$100,000	\$100,000	\$0
1237	Freeway Performance Initiative			
	Managed LANES Master Plan (Study)	\$300,000	\$300,000	\$0
	FPI Traffic Operations/Corridor Analysis	50,000	50,000	0
	Active Traffic Management Strategies	625,000	625,000	0
	TOTAL	\$975,000	\$975,000	\$0
1311	Lifeline Planning			
	Community - Based Transportation Plan Funding Ag.	\$360,000	\$360,000	\$0
	CBTP Grant Program	89,000	89,000	0
	Lifeline Cycle 3	800,000	800,000	0
	Coordinated Plan Update	100,000	100,000	0
	TOTAL	\$1,349,000	\$1,349,000	\$0

CONTRACTUAL SERVICES DETAIL

Work Element	Description/Purpose	Amended BUDGET FY 2015-16	Amended BUDGET FY 2015-16	Change \$ Inc./(Dec)
1413	Climate Initiative			
	Climate Adaption Consulting (BARC)	\$80,000	\$80,000	\$0
	EV Strategic Council	35,000	35,000	0
	Regional Transportation Sea Level Rise	0	0	0
	TOTAL	\$115,000	\$115,000	\$0
1512	Federal TIP Development			
	REMI Financial Forecast Model	\$50,000	\$50,000	\$0
	TOTAL	\$50,000	\$50,000	\$0
1514	Regional Assistance Programs			
	Performance audits - TDA audit & RM2 Oversight	\$250,000	\$250,000	\$0
	TOTAL	\$250,000	\$250,000	\$0
1515	Regional Assistance Programs			
	FMS TIP-RTP Linkage & Mapping	\$0	\$0	0
	FMS User Interface Upgrade	125,000	125,000	0
	TOTAL	\$125,000	\$125,000	\$0
1517	Transit Sustainability			
	Transit Sustainability Planning	\$1,544,159	\$1,544,159	\$0
	West Contra Costa Rapid Transit Study	0	0	0
	S RTP	300,000	300,000	0
	Transit Core Capacity Analysis	0	0	0
	TOTAL	\$1,844,159	\$1,844,159	\$0
1518	New Freedom			
	On Call Facilitation for Mobility Management	\$5,000	\$5,000	\$0
	TOTAL	\$5,000	\$5,000	\$0
1611	Transportation and Land Use Coordination			
	ABAG - FHWA/FTA5303/TDA/Prop.84	\$2,166,091	\$2,329,699	\$163,608
	Transit Oriented Affordable Housing Fund	10,000,000	10,000,000	0
	PDA Assessment	0	0	0
	Complete Streets Technical Assistance	40,000	40,000	0
	Bike/ Ped Counts Program	60,000	60,000	0
	Conference Sponsorship for Rail-Volution	15,000	15,000	0
	Parking Program	125,000	125,000	0
	TOTAL	\$12,406,091	\$12,569,699	\$163,608
106	Legal Services	\$800,000	\$800,000	\$0
101	Encumbrances Contracts	\$0	\$0	\$0
	Total consultant contracts:	\$33,686,601	\$35,609,607	\$1,923,006

LTD Federal Grants Budget

Attachment B

		1	2	3 = (1-2)	4	5	6	7 = (3+4-5-6)
STP Grants		LTD Grant thru FY 2014	LTD Actual thru FY 2015	Balance thru FY 2015	New Grant FY 2015-16	staff budget FY 2015-16	Consultant budget FY 2015-16	Balance FY 2015-16
Grant # / Fund Source #	Project Description							
6084-146 1580	Station Area Planning	\$4,256,088	\$2,096,406	\$2,159,682	\$0	\$0	\$358,500	\$1,801,182
6084-156 1585	Regional Streets and Roads	378,695	\$378,695	0	0	0	0	0
6084-162 1590	Freeway Performance Initiative	424,555	\$215,451	209,104	0	0	0	209,104
6160-018 1595	Freeway Performance Initiative	410,412	\$0	410,412	0	410,412	0	(0)
6084-175 1801	CMA Planning	26,270,089	\$10,683,339	15,586,750	0	1,094,196	8,183,000	6,309,554
6084-176 1803	511 Grant	28,112,035	\$8,569,979	19,542,056	0	1,274,193	13,475,377	4,792,486
6084-178 1805	Regional Streets and Roads	736,817	\$111,042	625,775	0	34,410	265,590	325,775
6084-179 1806	Pavement Management	4,136,598	\$1,478,360	2,658,236	0	0	1,420,000	1,238,236
6084-188 1812	OBAG Regional PDA	8,740,305	\$615,735	8,124,570	0	0	2,834,000	5,290,570
6084-187 1811	OBAG Regional PDA - ABAG	1,340,000	\$660,000	680,000	0	0	660,000	20,000
NEW	Arterial Operations	3,000,000	\$500,000	2,500,000	0	0	2,500,000	0
		\$77,805,592	\$25,309,007	\$52,496,585	\$0	\$2,813,211	\$29,896,467	\$19,986,906
CMAQ Grants								
6084-139 1584	Incident Management & FPI	\$837,149	\$837,149	\$0	\$0	\$0	\$0	\$0
6084-160 1589	Arterial Operations	5,216,365	1,659,858	3,562,507	0	641,756	1,200,000	1,720,751
6084-164 1591	Climate Initiatives Program Public Outreach	3,700,527	1,654,817	2,045,710	0	0	1,542,678	503,032
6084-165 1592	Climate Initiatives Evaluation	2,040,085	984,831	1,055,254	0	141,788	0	913,466
6160-018 1596	Freeway Performance Initiative	7,153,941	1,767,305	5,386,636	0	1,417,423	1,500,000	2,469,213
6160-020 1800	Incident Management	5,935,774	867,620	5,068,154	0	402,040	2,408,000	2,258,114
6084-176 1804	511 Grant	11,273,187	5,297,216	5,975,971	0	1,108,147	1,613,623	3,254,201
6084-180 1809	Freeway Performance Corridor Studies	3,833,946	671,234	3,162,712	0	0	1,500,000	1,662,712
6084-188 1814	Regional Bicycle Program	1,725,000	168,253	1,556,747	0	0	1,185,000	371,747
NEW	Incident Management	0	0	0	10,840,000	0	10,840,000	0
NEW	Climate Initiatives CYCLE 2	0	0	0	7,000,000	0	7,000,000	0
		\$41,715,974	\$13,902,283	\$27,813,691	\$17,840,000	\$3,711,154	\$28,789,301	\$13,153,236
FTA GRANTS								
90-Y555 1613	JARC	\$18,613	14,064	\$4,549	\$0	\$0	\$4,549	\$0
37-X076 1614	JARC	347,421	0	347,421	0	0	265,248	82,173
37-X043 1620	JARC	29,252	0	29,252	0	0	0	29,252
37-X064 1622	JARC	88,993	0	88,993	0	0	0	88,993
37-X104 1625	JARC	304,533	0	304,533	0	0	0	304,533
37-X133 1627	JARC	369,493	82,311	287,182	0	0	0	287,182
37-X164 1629	JARC	684,619	2,200	682,419	0	15,526	0	666,893
37-X177 1630	JARC	2,430,952	276,685	2,154,267	0	0	0	2,154,267
34-001 1631	FTA 5339	10,506,277	840,438	9,665,839	0	0	9,665,839	0
34-0024 1633	FTA 5339	12,240,015	0	12,240,015	0	0	12,240,015	0
New	FTA 5339	0	0	0	11,565,979	0	11,565,979	0
New	TIGER GRANT	1,000,000	112,140	887,860	0	0	887,860	0
57-X023 1623	New Freedom	150,928	24,334	126,594	0	0	0	126,594
57-X032 1624	New Freedom	41,250	34,157	7,093	0	0	0	7,093
57-X050 1626	New Freedom	375,031	179,106	195,925	0	0	0	195,925
57-X074 1628	New Freedom	1,308,460	1,014,849	293,611	0	0	0	293,611
57-X109 1632	New Freedom	1,383,631	425,793	957,838	0	0	100,166	857,672
		\$31,279,468	\$3,006,077	\$28,273,391	\$11,565,979	\$15,526	\$34,729,656	\$5,094,188
HPP/VPP GRANTS								
1739	VPPL Value PRICING	\$482,045	362,769	\$119,276	\$0	\$0	\$0	\$119,276
		\$482,045	\$362,769	\$119,276	\$0	\$0	\$0	\$119,276
HUD Grant								
1737	HUD Grant	\$2,997,213	\$2,694,396	\$302,817	\$0	\$0	\$0	\$302,817
Other Grants								
1111	FHWA - Climate Change	\$167,356	167,251	\$105		\$0	\$0	\$105
1110	HEPP Travel Model (Reobligated)	\$90,000	\$0	\$90,000	0	0	\$90,000	0
1112	FHWA - SHRP2	700,000	41,944	658,056	0	0	0	658,056
New	FTA 5310				454,430	0	0	454,430
		\$957,356	\$209,195	\$748,161	\$454,430	\$0	\$90,000	\$1,112,591
Total Federal Grants Budget		\$155,237,648	\$45,483,727	\$109,753,921	\$29,880,409	\$6,539,891	\$93,305,424	\$39,769,015

CONTRACTUAL SERVICES DETAIL Federal Grants

Work Element	Description/Purpose	Amended BUDGET FY 2015-16	Amended BUDGET FY 2015-16	Change \$ Inc./Dec)
1122	Analyze Regional Data using GIS and Travel Models			
	Travel Model	\$90,000	\$90,000	\$0
	TOTAL	\$90,000	\$90,000	\$0
1152	Agency Financial Management			
	Project Audits	\$200,000	\$200,000	\$0
	TOTAL	\$200,000	\$200,000	\$0
1222	Regional Rideshare Program			
	511 Program Operations	\$2,549,000	\$2,549,000	\$0
	511 Program Marketing	\$374,000	\$374,000	\$0
	Rideshare: Employer Services (CMAs)	450,000	450,000	0
	SB 1339	93,000	93,000	0
	TOTAL	\$3,466,000	\$3,466,000	\$0
1223	Operational Support for Regional Programs			
	TMS Technical Advisor & Guidance Bench	\$0	\$0	\$0
	TOTAL	\$0	\$0	\$0
1224	Regional Traveler Information			
	511 Traffic Real Time Transit	\$6,103,000	\$6,103,000	\$0
	511 Transit	5,302,000	5,302,000	0
	RG	0	0	0
	Connected Vehicles	0	0	0
	511 ESRI License	111,000	111,000	0
	TOTAL	\$11,516,000	\$11,516,000	\$0
1233	Pavement Management System			
	Software Training Support	\$265,590	\$265,590	\$0
	P-TAP Projects	1,420,000	1,420,000	0
	TOTAL	\$1,685,590	\$1,685,590	\$0
1234	Arterial Operations Coordination			
	Program for Arterial System	\$1,200,000	\$1,200,000	\$0
	Arterial Operations - Next Generation	2,500,000	2,500,000	0
	TOTAL	\$3,700,000	\$3,700,000	\$0
1235	Incident Management			
	Incident Management Task Force	\$140,000	\$140,000	\$0
	I-880 ICM	13,108,000	13,108,000	0
	TOTAL	\$13,248,000	\$13,248,000	\$0
1237	Freeway Performance Initiative			
	FPI Implementation and Ramp Metering	\$1,500,000	\$1,500,000	\$0
	FPI Traffic Operations/Corridor Analysis	1,500,000	1,500,000	0
	TOTAL	\$3,000,000	\$3,000,000	\$0
1310	Implement Lifeline Transportation Program			
	Lifeline Planning	\$269,797	\$269,797	\$0
	TOTAL	\$269,797	\$269,797	\$0
1413	Climate Initiative			
	Bike to Work Day	\$150,000	\$150,000	\$0
	Climate Initiative Outreach and Marketing program	\$17,197,678	\$9,484,678	(\$7,713,000)
	TOTAL	\$17,347,678	\$9,634,678	(\$7,713,000)
1512	Federal TIP Development			
	Transit Capital Inventory	\$0	\$0	\$0
	Transit Operators	33,471,833	33,471,833	0
	TOTAL	\$33,471,833	\$33,471,833	\$0
1517	Transit Sustainability			
	Transit Core Capacity Analysis	\$0	\$0	\$0
	TOTAL	\$0	\$0	\$0
1518	New Freedom			
	New Freedom Projects	\$100,166	\$100,166	\$0
	TOTAL	\$100,166	\$100,166	\$0
1519	Transit Core			
	Transit Core Study	\$887,860	\$887,860	\$0
	TOTAL	\$887,860	\$887,860	\$0
1611	Transportation and Land Use Coordination			
	ABAG - STP	\$1,359,000	\$1,359,000	\$0
	BCDC STP	351,000	351,000	0
	CMAs - STP	7,133,000	7,133,000	0
	Access Public Lands near Transit	500,000	500,000	0
	PDA Implementation Studies	515,000	515,000	0
	SR 82 Study	275,000	275,000	0
	PDA Planning Grant	1,902,500	1,902,500	0
	TOTAL	\$12,035,500	\$12,035,500	\$0
	Total Federal funded Consultants	\$101,018,424	\$93,305,424	(\$7,713,000)

Attachment C

Clipper Operating:

	Amended BUDGET FY 2015-16	Amended BUDGET FY 2015-16	Change \$ Inc./Dec
Revenue:			
CMAQ	\$0	\$0 0%	\$0
RM2	2,825,000	2,825,000 0%	0
STA	17,856,667	17,856,667 0%	0
Transit Operators	17,914,400	17,914,400 0%	0
	<u>\$38,596,067</u>	<u>\$38,596,067 0%</u>	<u>\$0</u>
Expenses:			
Salaries and Benefits	\$1,574,567	\$1,574,567 0%	\$0
Temporary Agency	0	0 0%	0
Travel & Membership	72,100	72,100 0%	0
Promotion/Outreach/Fare Inc.	3,890,000	3,890,000 0%	0
Bad Debt	0	0 0%	0
Clipper Operations	<u>33,059,400</u>	<u>33,059,400 0%</u>	<u>0</u>
	<u>\$38,596,067</u>	<u>\$38,596,067 0%</u>	<u>\$0</u>

Clipper Capital:

	LTD Budget Thru FY2015-16	Amended BUDGET FY 2015-16	LTD Budget Thru FY2015-16
Revenue:			
CMAQ	\$71,675,201	(\$180,000)	\$71,495,201
Card Sales	\$4,851,267	0	\$4,851,267
ARRA	11,000,000	0	11,000,000
FTA	25,177,072	0	25,177,072
STP	43,605,002	0	43,605,002
STA	21,207,597	0	21,207,597
Prop 1B	1,000,000	0	1,000,000
SFMTA	3,905,421	4,100,000	8,005,421
GGGHTD	2,975,000	0	2,975,000
BART	725,000	0	725,000
MTC Exchange Fund	8,269,158	0	8,269,158
BATA	27,124,813	0	27,124,813
Transit Operators	11,807,000	0	11,807,000
WETA	603,707	0	603,707
Sales Tax	<u>99,311</u>	<u>0</u>	<u>99,311</u>
	<u>\$225,763,898</u>	<u>\$3,920,000</u>	<u>\$237,945,549</u>
Expense:			
Staff Costs	\$11,022,524	\$0	\$11,022,524
Travel	3,208	0	3,208
Pilot Equipment Maintenance	3,093,834	0	3,093,834
Transit Agency Funded Projects	11,860,707	0	11,860,707
Design	54,690,574	0	54,690,574
Site Preparation	3,899,437	0	3,899,437
Construction	21,867,682	0	21,867,682
Consultants	22,365,903	3,920,000	26,285,903
Engineering	7,953,061	0	7,953,061
Communications	1,583,000	0	1,583,000
Marketing	2,212,029	0	2,212,029
Financial Services	391,600	0	391,600
Equipment	44,074,714	0	44,074,714
Clipper Cards	13,140,095	0	13,140,095
Other	<u>35,867,181</u>	<u>0</u>	<u>35,867,181</u>
	<u>\$225,763,898</u>	<u>\$3,920,000</u>	<u>\$229,683,898</u>

CONTRACTUAL SERVICES DETAIL

Prior Year Contractual and Professional Services

**AMENDED BUDGET
FY 2015-16**
Work Element Description/Purpose

1121	Plan Bay Area	
	Bay Area Council Economic	\$82,775
	Barabary Coast	\$43,707
	Visual Strategies	\$10,000
	Rose Foundation for Communities	\$5,000
	Richmond Main Street	\$5,000
	Southern Hayward Parish	\$5,000
	SELA Learning	\$5,000
	Sound of Hope Radio Network	\$5,000
	TOTAL	\$161,482
1122	Analyze Regional Data using GIS and Travel Models	
	Corey, Canapary	\$238,410
	ETC Institute	\$145,255
	Redhill Group	\$25,274
	Synthicity LLC	\$216,000
	Parsons Brinkerhoff	\$142,151
	TOTAL	\$767,090
1124	Regional Goods Movement Plan	
	ACTC	\$137,654
	San Francisco Transp. Authority	\$32,625
	Cambridge Systematics	\$174,920
	TOTAL	\$345,199
1152	Agency Financial Management	
	Pricewaterhouse Coopers	\$184,422
	TOTAL	\$184,422
1153	Administrative Services	
	Pathways for Students	\$5,794
	Carl Warren	\$20,000
	Cushman & Wakefield	\$5,000
	Koff & Associates	\$9,990
	Pamela Hurt	\$18,241
	International Effectiveness	\$4,941
	GovDelivery	\$11,918
	Customized	\$11,666
	Ergonomic	\$955
	Share Squared	\$38,873
	TOTAL	\$127,378
1212	Performance Measuring and Monitoring	
	Lowercase Productions	\$26,025
	TOTAL	\$26,025
1222	Regional Rideshare Program	
	Parsons Brinkerhoff	\$83,626
	TOTAL	\$83,626
1223	Operational Support for Regional Programs	
	Atkins North America Inc. (PBS & J)	\$84
	Iteris, Inc.	\$57,000
	Delcan	\$122,263
	Kimley Horn	\$10,559
	Cambridge Systematics	\$52
	TOTAL	\$189,958
1224	Regional Traveler Information	
	Civic Resource Group	\$41,381
	LEIDOS	\$619,707
	LEIDOS	\$289,457
	Kimley Horn	\$12,366
	CALTRANS	\$4,254
	TOTAL	\$967,165
1229	Regional Transportation Emergency Planning	
	URS	\$39,619
	DKS & Associates	\$41,628
	TOTAL	\$81,247
1233	Pavement Management System	
	Adhara Systems	\$103,908
	Quality Engng Solutions	\$6,916
	DevMecca.com	\$25,017
	Nichols Consulting	\$51
	CA State University Chico	\$50,000
	AMS Consulting	\$31,967
	JG3 Consulting	\$6,446
	Bellecci & Associates	\$2,039
	Capitol Asset & Pavement	\$32,024
	Harris & Associates	\$54,152
	Nichols Consulting	\$35,993
	TOTAL	\$348,513
1234	Arterial Operations Coordination	
	Kimley Horn & Assoc.	\$12,665
	Iteris	\$306,768
	TOTAL	\$319,433
1235	Incident Management	
	Kimley Horn	\$40,000
	TOTAL	\$40,000

1237	Freeway Performance Initiative	
	Fehr & Peers	\$1,859
	Kimley Horn	\$1,346
	Kittleson	\$26,837
	Cambridge	\$27,437
	URS	\$100,000
	TOTAL	\$157,479
1311	Implement Lifeline Program	
	CH2M Hill	\$199,940
	TOTAL	\$199,940
1512	Federal TIP Development	
	CH2M Hill	\$161,865
	TOTAL	\$161,865
1514	Regional Assistance Programs	
	Perlott & Associates	\$18,047
	TOTAL	\$18,047
1517	Transit Sustainability	
	MIG, Inc	\$20,629
	PCJPB	\$40,000
	AC Transit	\$40,000
	Nelson Nygaard	\$100,000
	ARUP North America Ltd.	\$762,669
	WETA	\$30,000
	Sonoma County Transit	\$30,000
	ECCTA	\$30,000
	Marin Transit	\$20,000
	CCCTA	\$30,000
	WCCTA	\$30,000
	Vacaville, City of	\$10,000
	Sonoma Cnty Transp. Authority	\$20,000
	LAVTA	\$30,000
	Union, City of	\$30,000
	West Contra Costa Transit	\$89,921
	TOTAL	\$1,313,219
1611	Transportation for Livable Communities	
	Toole Design	\$53,085
	Economic & Planning	\$62,000
	TOTAL	\$115,085
1161	Information Technology Services	
	Share Squared	\$103,871
	TOTAL	\$103,871
Fund 106		
	Thomas Law Group	\$302,922
	Glynn & Finley	\$80,000
	Hanson Bridgett	\$33,059
	Myers Nave	\$4,184
	TOTAL	\$420,165
Total Prior Year Contractual and Professional Services		\$6,131,209